

HR0177HAM004

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LRB096 12258 ASK 25039 a

1 AMENDMENT TO HOUSE RESOLUTION 177 2 AMENDMENT NO. . Amend House Resolution 177, AS AMENDED, 3 by replacing everything after the heading with the following: "WHEREAS, Pre-arrangement plans for funerals and burials 4 or other means of final disposition have increasingly become 5 6 embattled in controversy in the State of Illinois; and 7 WHEREAS, The types of investment plans chosen by pre-need sellers have come under increased scrutiny, including but not 8 9 limited to investments in life insurance policies, trust 10 accounts, and other funding means; and 11 WHEREAS, A lack of oversight has resulted in certain 12 investments by the Illinois Funeral Director's Association 13 losing millions of dollars of consumer trust funds and all accounts being marked down to compensate for the losses; and 14

WHEREAS, Litigation has been filed and criminal

- 1 investigations have been ongoing accusing both Trust and
- 2 Pre-Need life insurance companies of a "pattern and practice of
- 3 deceit"; and
- 4 WHEREAS, A growing number of individuals who have
- 5 contracted pre-arranged funeral and burial services are
- 6 discovering that the funds deposited as part of the pre-need
- 7 sales contract do not adequately cover the costs of the funeral
- and burial pre-arrangements chosen by the consumer; therefore,
- 9 be it
- 10 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE
- 11 NINETY-SIXTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that
- 12 the Funeral and Burial Pre-Arrangement Investigation Task
- 13 Force be created within the Department of Financial and
- 14 Professional Regulation to investigate and study the reasons
- for losses of the Pre-Need Funeral Trust Fund of the Illinois
- 16 Funeral Directors and any and all other Funeral and Burial
- 17 Pre-Need funding plans and investments offered in Illinois; and
- 18 be it further
- 19 RESOLVED, That the Task Force make recommendations for the
- 20 oversight and operation of all funeral and burial pre-need
- 21 programs offered by whatever funding means, and develop
- 22 possible new licenses and continuing education components to
- 23 protect the consumer and profession, and to educate sellers in

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- 1 the industry, in the State of Illinois; and be it further
- 2 That the Task Force shall consist of 3 following members: 3 members appointed by the Speaker of the 4 House of Representatives and 3 members appointed by the 5 Minority Leader of the House of Representatives (one of the 6 appointed House members shall be appointed chairperson); one 6 7 member appointed by the State Comptroller; one member appointed 8 by the Director of the Cemetery Care and Burial Trust Division 9 of the State Comptroller's Office; one member appointed by the 10 Director of the Division of Insurance within the Department of and Professional 11 Financial Regulation; and one 12 appointed by the Secretary of the Department of Financial and 13 Professional Regulation; and be it further
- 14 RESOLVED, That the Task Force take voluntary assistance and 15 testimony from legal and professional organizations and 16 institutions; and be it further
 - RESOLVED, That the members of the Task Force shall serve without compensation, but may be reimbursed for actual expenses incurred while serving on the Task Force from funds appropriated to the Department of Financial and Professional Regulation for that purpose; and be it further
- 22 RESOLVED, That the Task Force take testimony from past and

- present Board members of the Illinois Funeral Directors 1
- Association regarding their investment of Pre-Need Funeral 2
- 3 Trust Fund moneys, the collection of administrative fees, the
- 4 crediting of excessive interest to member accounts, the
- 5 pre-need contracts of consumers, and other policies that
- 6 threatened the solvency of the Pre-Need Funeral Trust Fund; and
- 7 be it further
- 8 RESOLVED, That the Task Force shall submit its final report
- 9 to the Governor and the General Assembly by December 31,
- 2009.". 10